

11 October 1973

MEMORANDUM FOR: Mr. Warner

SUBJECT: Proposed
Salary Increases

REFERENCE: Memo fr C/Regs Control Staff, undtd,
same subj

1. The subject proposed notices increase employee salaries in accordance with Agency policy of adopting the provisions of the Classification Act of 1949, as amended. The salaries paid under that Act have recently been increased by authority of Executive Order 11739, dated 3 October 1973.

2. The Agency's--not necessarily limited to the Director--authority for paying its employees is contained in Section 8 of the CIA Act of 1949 (50 U.S.C.A. 403j). In a memorandum for the Deputy Director (Support) dated 8 October 1962, the Acting Director established the policy that "...the Agency, insofar as practicable, will adhere to the compensation schedules and other provisions of the Classification Act of 1949, as amended, and as it may be amended hereafter, for all staff personnel of the Agency except as may be otherwise authorized by the Director of Central Intelligence." He further stated that "r/evision of the general compensation schedule...will be given effect in the future by the Central Intelligence Agency whenever the law is amended." The retroactive provisions of this policy were reviewed and held to be effective by the Comptroller General in his opinion, B-106516 dated 20 August 1964.

3. As the Agency itself has the authority to pay its employees by virtue of the language of the CIA Act and as it

has been our longstanding policy to follow the pay provisions of the Classification Act, I find no legal objection to the proposed notices. As they were sent to this Office for information, no action or concurrence is required.



Office of General Counsel

OGC:JED:ks

Original - F PAY
1 - JED Signer
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